

Interagency Report on the Implementation of Senate Bill 6088

(Ch. 29 Laws of 2003, 1st Special Session)

Executive Summary



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I. Introduction

In June 2003, the legislature created the Prescription Drug Program (PDP) in Senate Bill 6088 (SB 6088) (Ch. 29 Laws of 2003 1st Special Session) to control state prescription drug costs without reducing the quality of care, to develop programs that provide affordable prescription drugs to those in need, and to increase public awareness regarding their safe and cost-effective use.

The PDP is a joint effort by the Health Care Authority (HCA), the Department of Social & Health Services (DSHS), and the Department of Labor & Industries (L&I) (hereinafter “the agencies”). It consists of five main components: a Medicaid Prescription Drug Assistance Program, a Senior Prescription Drug Discount Card, a “Pharmacy Connections” program, a Senior Drug Education Program, and an Evidence-Based Preferred Drug List (PDL)/Therapeutic Interchange Program (TIP).

The HCA has developed a comprehensive website (www.rx.wa.gov) where consumers, providers, and other interested parties can get comprehensive information about all of the state’s prescription drug programs, as well as links to resources nationwide.

This progress report on the agencies’ implementation of SB 6088 is submitted under the requirements of SB 6088 section 11.¹

II. Executive Summary

SB 6088 section 2: Medicaid Prescription Drug Assistance Program (MPDA)²

DSHS did not apply to the Center for Medicare and Medicaid Services (CMS) to obtain a Pharmacy Plus waiver based on the federal government’s enactment of the “Medicare Prescription Drug, Improvements and Modernization Act of 2003” (MMA). Beginning January 1, 2006, Medicare will begin offering prescription drug benefits (Part D) to Medicare beneficiaries. MMA also will provide low-income subsidies for beneficiaries with incomes up to 150% of the federal income guideline. Under MMA, Medicaid funding can no longer be used to finance prescription drug coverage for Medicare beneficiaries that would otherwise be covered under Part D.

SB 6088 sections 3 and 4: the Senior Prescription Drug Discount Card³

The Senior Prescription Drug Discount Card became available June 1, 2004. It is a mail order discount drug program for Washington residents over 50 years old who have no other prescription drug coverage and who earn less than 300% of the federal income guideline (approximately \$2,328 per month for an individual). The discount card costs

¹ RCW 41.05.530

² RCW 74.09.650

³ RCW 41.05.500, 510; RCW 43.131.403

\$10 per year and gives members a 15% to 25% discount on their prescription drugs. As of December 2004 approximately 25 residents have signed up for the discount card.

SB 6088 section 7: the Pharmacy Connections Program⁴

The Pharmacy Connections program (1-888-435-3377) was established in December 2003, to provide toll-free telephone assistance for Washington residents to get information about manufacturer-sponsored prescription drug assistance programs and to assist them with applying for these programs. The program also serves as a one-stop “clearinghouse” to provide information on other prescription drug resources such as the Medicare discount cards and the Washington Senior Prescription Drug Discount Card. Since implementation, the program has provided assistance to over 15,000 Washington residents.

SB 6088 section 8: the Senior Drug Education Program⁵

DSHS Aging & Disability Services Administration (ADSA) implemented the Senior Drug Education Program in November 2003. The program is designed to inform and train persons 65 and older in the safe and appropriate use of prescription and nonprescription medications. ADSA has provided grants to 11 Area Agencies on Aging to establish local programs. Programs range from distributing educational materials at health fairs, to individual classes that allow for one-on-one assistance to address specific medication regimens and their effects on each individual’s health and lifestyle.

Over 7,100 seniors have received training or information as of November 2004, and future training will incorporate information about the Medicare prescription drug benefit and other options available.

SB 6088 section 9: the Evidence-Based Preferred Drug List⁶

The Evidence-Based Preferred Drug List is a coordinated effort by HCA’s Uniform Medical Plan (UMP), DSHS’s Medical Assistance Administration (MAA) fee for service program, and L&I’s Workers’ Compensation Program to develop a statewide evidence-based PDL to encourage the use of less expensive, equally safe and effective drugs in state programs.

In January 2004, the agencies implemented a single PDL used by each of the agencies. As of January 1, 2005 the PDL consists of 12 drug classes. The agencies plan to add an additional 8 drug classes during 2005, and another 4 during 2006. The PDL will consist of 24 drug classes by January 2007.

The agencies select drugs for inclusion on the PDL based on the recommendations of the Washington State Pharmacy & Therapeutics Committee (P&T Committee). The P&T

⁴ RCW 41.05.520

⁵ RCW 74.09.660

⁶ RCW 70.14.050

Committee was established on July 15, 2003 and meets at least quarterly to consider reports on the evidence of drug safety and efficacy produced by the Evidence-Based Practice Center at Oregon Health & Sciences University.

The P&T Committee makes recommendations to the agencies as to which drugs within a therapeutic class it believes needs to be included on the PDL and which are similar in safety and efficacy. The agencies then select a preferred drug, or drugs, from those drugs based on an analysis of net cost to the state.

To encourage the use of preferred drugs, SB 6088 sections 5 and 6⁷ created a process by which practitioners can “endorse” the PDL. An “endorsing practitioner” is one who has reviewed the PDL and has notified the HCA that pharmacists can automatically “interchange” the preferred drug for any non-preferred drug prescribed unless the endorsing practitioner indicates, “dispense as written,” or it is for a “refill” of certain drugs specified in the statute. In these situations a pharmacist will dispense the non-preferred drug as prescribed. The agencies implemented the practitioner endorsement and therapeutic interchange program (TIP) the week of May 1, 2004.

⁷ RCW 69.41.150, .190